Voting Members:

Carol Fukunaga, Chair; Joey Manahan, Vice-Chair; Ron Menor, Kymberly Marcos Pine, Heidi Tsuneyoshi

Committee Meeting Held February 26, 2019

Honorable Ann H. Kobayashi Chair, City Council City and County of Honolulu

Madam Chair:

Your Committee on Public Infrastructure, Technology and Sustainability, which considered Resolution 18-266 entitled:

"RESOLUTION URGING THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND THE HAWAII STATE DEPARTMENT OF HEALTH TO REJECT THE APPROVAL OF A SINGLE WALL TANK UPGRADE ALTERNATIVE OPTION FOR THE RED HILL BULK FUEL STORAGE FACILITY AND TO REJECT THE CONCLUSIONS PRESENTED IN THE GROUNDWATER PROTECTION AND EVALUATION CONSIDERATIONS FOR THE RED HILL BULK FUEL STORAGE FACILITY REPORT DATED JULY 27, 2018,"

introduced on November 19, 2018, reports as follows:

The purpose of the Resolution is to urge the United States Environmental Protection Agency and the Hawaii State Department of Health to reject the approval of a single wall tank upgrade alternative option for the Red Hill Bulk Fuel Storage Facility and to reject the conclusions presented in the Groundwater Protection and Evaluation Considerations for the Red Hill Bulk Fuel Storage Facility Report dated July 27, 2018.

At the January 23, 2019 Committee meeting, the Board of Water Supply ("BWS") provided an update on the importance of protecting our water sources. Noting that the 2014 release from Tank 5 was not the only release from these tanks, BWS cited among

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other data, releases from Tanks 15 and 16 after 1988, a release from Tank 6 in 2002, as well as petroleum staining found in cores before 2014 beneath 19 of 20 tanks, and other indications of petroleum chemical contaminants in groundwater samples. BWS recommended relocation of the tanks away from the aquifer or implementing secondary containment (i.e., tank within a tank).

On February 6, 2019, the United States Navy ("U.S. Navy"), provided its update on the Red Hill Bulk Fuel Storage Facility ("Facility"). The U.S. Navy cited the importance of the Facility to both national and Hawaii security. Asserting that the data is not indicative of ongoing tank problems and noting that it is operating in accordance with the Administrative Order on Consent ("AOC"), the U.S. Navy reported that it is protecting our drinking water with science-based groundwater evaluation, sophisticated leak detection processes, and tank maintenance adhering to strict American Petroleum Institute standards. Some of the strategies being used include 24/7 monitoring for tank level indications, improved alarm response, monthly tests, semi-annual tank tightness testing, and roving patrols.

Two individuals testified in support of the Resolution, while one testified in opposition. Three individuals commented on the Resolution.

Your Committee also received written testimony in support from BWS, Sierra Club of Hawaii, Young Progressives Demanding Action, and an individual; in opposition from the Chamber of Commerce Hawaii and an individual; and comments from the U.S. Navy and an individual.

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Your Committee acknowledges and respects the critical role of the U.S. Navy in Hawaii and appreciates the need for secure fuel storage that is readily available and accessible in times of emergency.

Article II, Section 2-102 of the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) states in relevant part as follows:

All city powers shall be used to serve and advance the general welfare, safety and aspirations of its inhabitants in a sustainable manner and promote stewardship of natural resources for present and future generations.

Your Committee finds that this Resolution is consistent with this Charter requirement. Your Committee concurs with BWS on the importance of maintaining dependable and safe water supplies and protecting Oahu's sole source aquifer and applauds BWS's efforts to ensure the preservation and future sustainability of our water resources.

Your Committee approved a CD1 version that makes the following amendments:

- A. Deletes the first WHEREAS clause.
- B. Deletes the third WHEREAS clause and replaces it with a new WHEREAS clause to read as follows:

WHEREAS, this corrosion testing, which was done to assess the accuracy of earlier electromagnetic and ultrasonic scans of the tank liner, was required as part of an Administrative Order on Consent agreement the

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United States Navy ("U.S. Navy") entered into with the United States Environmental Protection Agency and the Hawaii State Department of Health after a 2014 fuel release at the Facility; and

- C. Amends the eighth WHEREAS clause to include the Honolulu Board of Water Supply's statement that "the Red Hill fuel tanks should have secondary containment or be relocated away from the aquifer."
- D. Adds a second BE IT FURTHER RESOLVED clause to read as follows:

BE IT FURTHER RESOLVED that the United States Environmental Protection Agency and the Hawaii State Department of Health are urged to support the secondary containment tank upgrade alternative option, or, if secondary containment is determined to be infeasible, to support the relocation of the fuel tanks away from the aquifer; and

E. Makes miscellaneous technical and nonsubstantive amendments.

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Your Committee on Public Infrastructure, Technology and Sustainability is in accord with the intent and purpose of Resolution 18-266, as amended herein, and recommends its adoption in the form attached hereto as Resolution 18-266, CD1. (Ayes: Fukunaga, Menor, Tsuneyoshi – 3; Noes: None; Excused: Manahan, Pine – 2.)

Respectfully submitted,

Committee Chair

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CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII



No. **18-266, CD1**

RESOLUTION

URGING THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND THE HAWAII STATE DEPARTMENT OF HEALTH TO REJECT THE APPROVAL OF A SINGLE WALL TANK UPGRADE ALTERNATIVE OPTION FOR THE RED HILL BULK FUEL STORAGE FACILITY AND TO REJECT THE CONCLUSIONS PRESENTED IN THE GROUNDWATER PROTECTION AND EVALUATION CONSIDERATIONS FOR THE RED HILL BULK FUEL STORAGE FACILITY REPORT DATED JULY 27, 2018.

WHEREAS, samples collected from the steel liner of Tank 14 at the Red Hill Bulk Fuel Storage Facility ("Facility") and examined on June 25, 2018, show the presence of rust on the backside of the liner; and

WHEREAS, this corrosion testing, which was done to assess the accuracy of earlier electromagnetic and ultrasonic scans of the tank liner, was required as part of an Administrative Order on Consent agreement the United States Navy ("U.S. Navy") entered into with the United States Environmental Protection Agency and the Hawaii State Department of Health after a 2014 fuel release at the Facility; and

WHEREAS, under the Facility's Administrative Order on Consent, the U.S. Navy has evaluated six tank upgrade alternative ("TUA") options and has stated in an August 15, 2018 letter that its preferred TUA option moving forward is to "[c]ontinue with sustainment/maintenance of the existing tanks in accordance with current procedures as the Navy's initial best available practicable technology decision submittal," meaning a continuation of the current operation and maintenance of existing single wall tanks, which are one quarter-inch steel plates that date back to the 1940's; and

WHEREAS the U.S. Navy's preferred TUA is noted in its Groundwater Protection and Evaluation Considerations for the Red Hill Bulk Fuel Storage Facility Report ("GPEC Report"), dated July 27, 2018, which will inform the overall TUA decision-making process; and

WHEREAS, the GPEC Report concludes the following: 1) An undetected chronic release of 2,300 gallons per year per tank would be biodegraded in the vadose zone prior to reaching groundwater, 2) A sudden release of approximately 120,000 gallons of petroleum would likely be retained in the underground rocks and/or at the water table without causing petroleum levels in the water at the U.S. Navy Red Hill Shaft water supply to exceed 400 micrograms per liter, and 3) A release as large as 700,000 gallons would not cause an exceedance of 400 micrograms per liter in the water at the U.S. Navy's Red Hill Shaft, since the U.S. Navy's Red Hill Shaft captures all groundwater flow from beneath the tanks underlying Red Hill, and no groundwater flows from Red Hill to any of the Honolulu Board of Water Supply ("BWS") wells; and



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WHEREAS, the BWS strongly opposes these conclusions, as detailed in written comments dated October 2, 2018, which it submitted to the United States Environmental Protection Agency and the Hawaii State Department of Health; and

WHEREAS, in its comments, BWS stated that "the Red Hill fuel tanks should have secondary containment or be relocated away from the aquifer" and stressed that "Oahu's sole source aquifer is the only one of its kind and cannot be replaced. . . . Allowing any amount of fuel leaks into this resource is passing along a problem to future generations"; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that this body does not support the United States Navy's findings regarding the Red Hill Bulk Fuel Storage Facility, as the findings do not sufficiently protect the environment and Oahu's drinking water supply, and are not in the best interests of the people of the City and County of Honolulu; and

BE IT FURTHER RESOLVED that the United States Environmental Protection Agency and the Hawaii State Department of Health are urged to reject the approval of a single wall tank upgrade alternative option for the Red Hill Bulk Fuel Storage Facility and to reject the conclusions presented in the Groundwater Protection and Evaluation Considerations for the Red Hill Bulk Fuel Storage Facility Report, dated July 27, 2018; and

BE IT FURTHER RESOLVED that the United States Environmental Protection Agency and the Hawaii State Department of Health are urged to support the secondary containment tank upgrade alternative option, or, if secondary containment is determined to be infeasible, to support the relocation of the fuel tanks away from the aquifer; and



No. 18-266,	CD1
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RESOLUTION

BE IT FINALLY RESOLVED that copies of the resolution be transmitted to the members of Hawaii's Congressional delegation, the Governor of the State of Hawaii, the Director of the Hawaii State Department of Health, the Chairperson of the Hawaii Department of Land and Natural Resources, the Chair of the Commission on Water Resource Management of the Hawaii Department of Land and Natural Resources, the President of the Senate and the Speaker of the House of Representatives of the Hawaii State Legislature, the Secretary of the United States Navy, the Commander of the United States Indo-Pacific Command, the Commander of the United States Pacific Fleet, the Executive Director of the Sierra Club of Hawaii, the Chair of the Office of Hawaiian Affairs, the Chairperson of the Board of Directors of the Honolulu Board of Water Supply, and the Manager and Chief Engineer of the Honolulu Board of Water Supply.

INTRODUCED BY

	INTRODUCED BY.
	Carol Fukunaga
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DATE OF INTRODUCTION:	
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November 19, 2018	
Honolulu, Hawaii	Councilmembers